Council

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Twenty-fourth session
Council session, part II
Kingston, 16–20 July 2018
Agenda item 14
Budget of the International Seabed Authority

Decision of the Council of the International Seabed Authority relating to the budget of the Authority for the financial period 2019-2020

The Council of the International Seabed Authority,

Taking into account the recommendations contained in the report of the Finance Committee of the International Seabed Authority,[1]

1. *Recommends* that the Assembly of the International Seabed Authority approve the budget of the Authority for the financial period 2019–2020, in the amount of $18,235,850, as proposed by the Secretary-General;

2. *Also recommends* that the Assembly adopt the following draft decision:

The Assembly of the International Seabed Authority,

1. *Approves* the budget for the financial period 2019–2020, in the amount of $18,235,850, as proposed by the Secretary-General;

2. *Takes note with appreciation* of the significant reduction in the costs of conference services and the transfer of the resources made available by those savings to the programmes of the Authority;

3. *Authorizes* the Secretary-General to establish the scale of assessments for each of the years 2019 and 2020 on the basis of the scale used for the regular budget of the United Nations for the years 2016, 2017 and 2018, taking into account that the ceiling assessment rate will be 22 per cent and the floor rate 0.01 per cent;

4. *Also authorizes* the Secretary-General, for 2019 and 2020, to transfer between sections, subsections and programmes up to 20 per cent of the amount in each section, subsection or programme;

[1] ISBA/24/A/6–ISBA/24/C/19.

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5. *Urges* the members of the Authority to pay their assessed contributions to the budget on time and in full;

6. *Notes with concern* the increasing amounts of outstanding contributions, appeals once more to the members of the Authority to pay contributions to the budget of the Authority outstanding from previous years as soon as possible, and requests the Secretary-General, at his discretion, to continue his efforts to recover those amounts;

7. *Urges* members and other potential donors to make voluntary contributions to the Endowment Fund for Marine Scientific Research in the Area and the existing voluntary trust funds of the Authority;

8. *Decides* to increase the annual overhead charge referred to in section 10.5 of the standard clauses for exploration contracts from $47,000 to $60,000, effective 1 January 2019;

9. *Also decides*, as an interim solution and on a voluntary basis, to add an additional contribution of $6,000 to the annual overhead charge invoice to the contractors on an opt-out basis. Contributions will be allocated as a contribution to the voluntary trust fund for the purpose of defraying the cost of participation of members of the Legal and Technical Commission and of the Finance Committee from developing countries in meetings of the Commission and of the Committee;

10. *Further decides* to revisit the possibility of using remote interpretation services for meetings of the Assembly and the Council if outstanding technical issues, including the quality of interpretation, can be resolved;

11. *Adopts* the terms of reference for the voluntary trust fund to support the participation of members of the Council from developing States in meetings of the Council, as contained in the annex to the present decision.

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Annex

Terms of reference for the voluntary trust fund to support the participation of members of the Council of the International Seabed Authority from developing States in meetings of the Council

1. Pursuant to the financial regulations of the International Seabed Authority, a voluntary trust fund has been established to support the participation of members of the Council of the Authority from developing States.

I. Object and purpose of the trust fund

2. In its decision ISBA/23/A/13 dated 18 August 2017 relating to the final report on the first periodic review of the international regime of the Area pursuant to article 154 of the United Nations Convention on the Law of the Sea, the Assembly requested the Secretary-General to establish a voluntary trust fund to support the participation of members of the Council from developing States in the second annual meeting of the Council.

3. The objective of the fund is to defray the cost of participation of members of the Council from developing States in one of the two parts of the annual session of the Council scheduled for 2018 and 2019, respectively, during the time where there are two meetings of the Council per year.

II. Establishment

4. The fund is established pursuant to financial regulation 5.5 and shall be administered in accordance with the financial regulations of the Authority, as provided in financial regulation 5.6.

III. Contributions to the fund

5. Member States, observers and other stakeholders are encouraged to contribute financially to the voluntary trust fund. Other stakeholders may include, but are not limited to: other States; contractors with the Authority; relevant international organizations; academic, scientific and technical institutions; philanthropic organizations; corporations and private individuals; and non-governmental organizations.

IV. Implementing office

6. The Office for Administrative Service of the Secretariat is the implementing office for the fund and provides the services for its operation.

V. Report on the status of the fund

7. The Secretary-General shall report annually to the Finance Committee for its review of the use and status of the fund. The Secretary-General shall also report annually to the Assembly on the status of the fund.

VI. Terms of reference for the administration of the fund

8. The use of the fund is subject to the following conditions:

(a) A formal request by the Government of the State, containing the name of the delegate to be supported, must be communicated to the Secretariat preferably three months but no later than one month prior to the opening of the respective meeting of the Council. Late requests shall not be considered;

(b) Only members of the Council from developing States are eligible for support from the fund. However, in the event that the amount available in the fund is not sufficient to meet all requests for support, priority shall be given to members of the Council from least developed countries. A list of eligible States based on the composition of the Council for 2018 is attached in the enclosure to the present terms of reference, subject to revision following each election of the members of the Council;

(c) The fund shall be used to support the participation of one member of the delegation of an eligible developing State member of the Council in only one of the two meetings of the Council per year, as normally scheduled in February/March and July/August;

(d) For each member of the Council, only one delegate may benefit from support from the fund;

(e) Support shall be limited to economy class airfare by the most economical and direct route from either the capital or the official place of posting and to a daily subsistence allowance for up to a maximum of seven days;

(f) The Secretary-General should inform the Government concerned of the outcome of the request in a timely manner.

9. Unless the Assembly of the Authority decides otherwise, any funds remaining by the end of the year 2019 will be transferred to the voluntary trust fund for the purpose of defraying the cost of participation of members of the Legal and Technical Commission and of the Finance Committee from developing countries in meetings of the Commission and of the Committee, and the fund will be closed.

Enclosure

Developing States members of the Council in 2018

Algeria	China	Jamaica	Singapore
Argentina	Côte d'Ivoire	Lesotho	South Africa
Bangladesh	Fiji	Mexico	Trinidad and Tobago
Brazil	Ghana	Morocco	Tonga
Cameroon	India	Nigeria	Uganda
Chile	Indonesia	Panama	

Least developed countries members of the Council in 2018

Bangladesh	Lesotho	Uganda

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Agenda item 12
Report of the Chair of the Legal and Technical Commission on the work of the Commission at its twenty-fourth session

Decision of the Council of the International Seabed Authority relating to the reports of the Chair of the Legal and Technical Commission

The Council of the International Seabed Authority,

Recalling its decision ISBA/23/C/18,

1. *Takes note with appreciation* of the reports of the Chair of the Legal and Technical Commission on the work of the Commission at the first and second parts of its twenty-fourth session[1] and of the note by the Commission on draft regulations on exploitation of mineral resources in the Area;[2]

2. *Welcomes* the continued work of the secretariat and the Commission on the regulations on exploitation, and requests that work on the regulations continue as a matter of priority;

3. *Requests* that both the Commission's recommendations regarding the current draft regulations and their next iteration be circulated sufficiently in advance of the meeting of the Council at which they will be considered, to allow for substantive consideration and discussion, and emphasizes the ongoing need for openness and transparency;

4. *Requests* the Commission to consider, as appropriate, the submissions received since the twenty-third session in the context of its work, including on the draft regulations from: Algeria, on behalf of the African Group, entitled "Request for consideration by the Council on the African Group's proposal for the operationalization of the Enterprise" and "Request for consideration by the Council of the African Group's proposal on the economic model/payment regime and other financial matters in the draft exploitation regulations under review"; Belgium, entitled "Strengthening the environmental scientific capacity of the International Seabed Authority"; and Germany, entitled "Suggestions for facilitating the work of

[1] ISBA/24/C/9 and ISBA/24/C/9/Add.1.
[2] ISBA/24/C/20.

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the International Seabed Authority";[3] as well as the report of the Secretary-General on considerations relating to a proposal by the Government of Poland for a possible joint-venture operation with the Enterprise;[4]

5. *Requests* the Commission and the Secretariat to implement, as appropriate, the recommendations contained in the submission by the Netherlands entitled "Overview of existing measures, means and actions relating to the protection and conservation of the marine environment in areas beyond national jurisdiction",[5] within available resources;

6. *Notes with appreciation* the Commission's consideration of 27 annual reports on activities carried out by contractors in 2017, welcomes in particular the presentation of well-structured reports complying with the template issued by the Commission by the overwhelming majority of contractors, but regrets the cases of contractors not following the reporting requirements, and also regrets that, at the current rate of progress, some contractors risk being unable to deliver on their commitments for the initial five-year period of the plans of work established in their contracts for exploration;

7. *Emphasizes* the importance for contractors to take into account and respond to the Commission's advice on annual reports in a timely manner;

8. *Requests* the Secretary-General to communicate the various issues identified during the Commission's review of the annual reports of contractors to the relevant contractors and sponsoring States;

9. *Takes note of* the report of the Secretary-General on information relating to compliance by contractors with plans of work for exploration,[6] requests that the Secretary-General report to the Council on an annual basis, identifying instances of alleged non-compliance and the regulatory action recommended or to be taken in accordance with the United Nations Convention on the Law of the Sea, the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982[7] and the regulations on prospecting and exploration, including any monetary penalties to be imposed by the Council, and invites the relevant sponsoring States to provide any information relating to such non-compliance and measures taken to ensure compliance under a contract for exploration, in accordance with article 139 of the Convention;

10. *Urges* all contractors to comply with their reporting requirements and to make their environmental data readily and publicly available, noting that the Authority needs all contractors to collect samples consistently and to fully report environmental and geological data in a digital format to support, inter alia, the development of regional environmental management plans;

11. *Acknowledges* that most of the contractors have fully implemented training programmes and offered further training opportunities;

12. *Notes* the environmental workshops held in Qingdao, China, in May 2018, and in Szczecin, Poland, in June 2018, and looks forward to receiving reports of those meetings;

13. *Notes also* that a technical workshop on the criteria for the selection of impact reference zones and preservation reference zones was held in Berlin from 27 to 29 September 2017, that a second workshop, dedicated to the review of the status of

[3] ISBA/24/C/18.
[4] ISBA/24/C/12.
[5] ISBA/24/C/15.
[6] ISBA/24/C/4.
[7] United Nations, *Treaty Series*, vol. 1836, No. 31364.

implementation of the environmental management plan for the Clarion-Clipperton Zone, will be held during the second half of 2018, and that a third workshop, jointly hosted by the secretariat and the International Cable Protection Committee, will be held in Bangkok, from 29 to 30 October 2018; and encourages the secretariat to work closely with the Commission and members of the Authority to provide early notice of those and other workshops and ensure the broadest participation of all concerned States parties and other stakeholders;

14. *Encourages* the Secretariat and the Commission to make progress on the development of environmental management plans in other international seabed area zones, in particular where there are currently exploration contracts, recalling paragraph 60 of General Assembly resolution 70/235 of 23 December 2015;

15. *Welcomes* the secretariat's progress towards the implementation of the data management strategy of the Authority, including public access to non-confidential data, and notes that the database is expected to be launched by the end of October 2018;

16. *Notes* that, owing to the heavy workload of the Commission and time constraints, the Commission was unable to discuss other matters referred to it by the Council, and requests the Secretary-General to ensure that adequate time and resources continue to be made available to support the work of the Commission, especially on priority issues, including further progress on the draft regulations on exploitation;

17. *Notes with concern* the sharp deficit in the voluntary trust fund for the purpose of defraying the cost of participation of members of the Commission and of the Finance Committee from developing countries in meetings of the Commission and of the Committee, welcomes the contributions made, and urges additional contributions to the fund from members of the Authority, as well as other States, relevant international organizations, academic, scientific and technical institutions, philanthropic organizations, corporations and private individuals;

18. *Encourages* the Commission to hold open meetings more frequently to allow for greater transparency in its work;

19. *Welcomes* the report of the Secretary-General on the implementation of the decision of the Council in 2017 relating to the summary report of the Chair of the Commission,[8] and notes that this was the second such report of the Secretary-General;

20. *Requests* the Secretary-General to report to the Council on the implementation of the present decision at its twenty-fifth session, in 2019, and that such annual reporting remain on the Council's agenda as a standing item.

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[8] ISBA/24/C/6.